

2026

ECONOMIC REPORT *to the* GOVERNOR

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HIGHLIGHTS



PREPARED BY THE
UTAH ECONOMIC COUNCIL

A collaborative endeavor of
David Eccles School of Business and
Governor's Office of Planning and Budget

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2026 Economic Report to the Governor

2025 YEAR IN REVIEW: Hardiness Amid Policy Change

Hardy U.S. Growth – Yet again defying the gloomy predictions of some, the U.S. economy proved itself hardy in a changing economic and policy environment.

The overarching canopy of a new federal administration exerted significant influence on the economy. Major policies included higher tariffs, the “One Big Beautiful Bill,” tighter immigration controls, and fiscal challenges among others. By reducing short-term interest rates, the Federal Reserve’s less restrictive monetary policy added to the mix.

Notwithstanding unsettled conditions, continued growth rooted itself in underlying U.S. economic strengths.

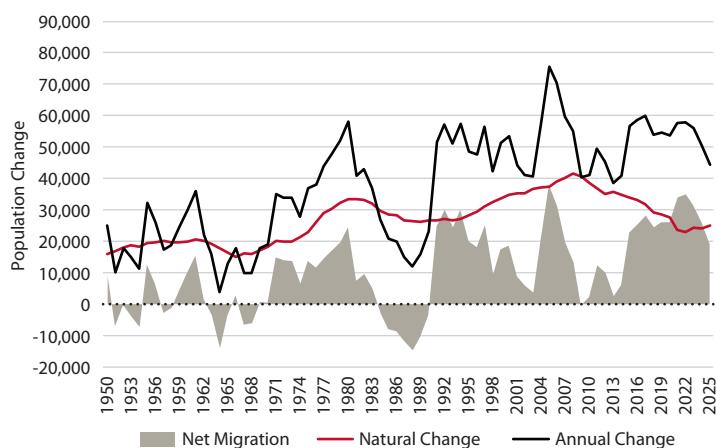
Labor markets moderately expanded, although the ground continued to soften from extremely tight post-pandemic conditions. Robust AI investment yielded strong stock market returns.

Stout large business earnings supported spending by higher income households, a divergence offsetting more challenging conditions for many wage earners and small businesses. While subdued from recent peaks, inflation failed to fully return to target, creating interest rate uncertainty, particularly for long-term rates.

Continued Utah Growth – Utah’s economy also continued to expand moderately amid headwinds. As evidenced by low unemployment (3.3%) and continued growth in jobs (1.5%), average annual wages (3.2%), population (1.3%), and taxable sales (3.5%), Utah’s durable economy continues with solid production levels.

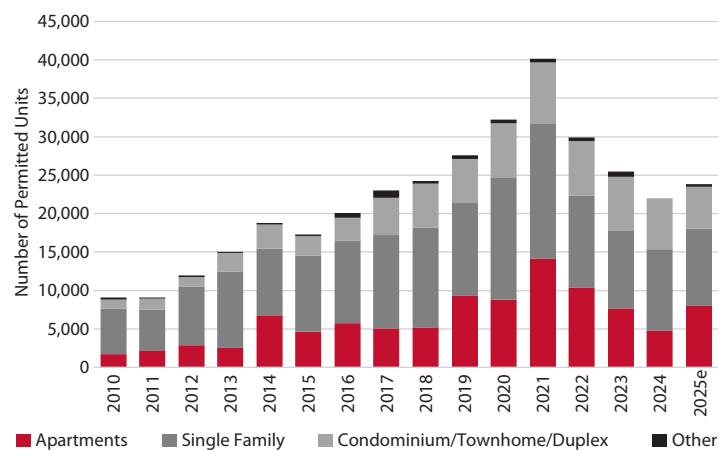
Most Utah industries posted moderate job growth rates, with private education & health services and construction leading the way. Housing prices grew less than overall inflation, but declining homeownership rates highlight affordability challenges. Utah oil production once again reached an all-time high.

Utah Components of Population Change, 1950–2025



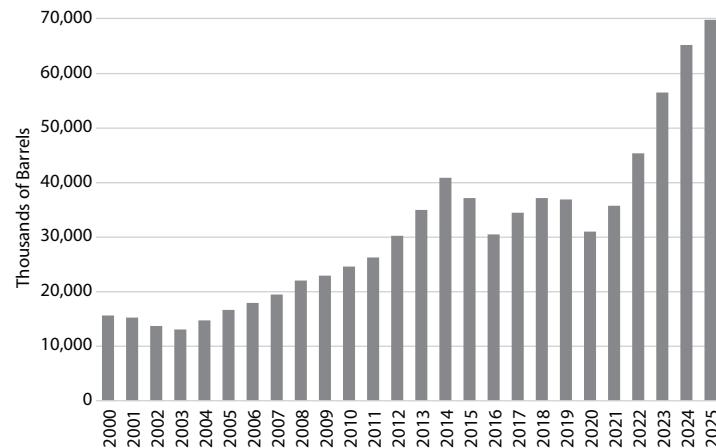
Source: Utah Population Committee

Permit-Authorized Residential Units in Utah, 2010–2025e



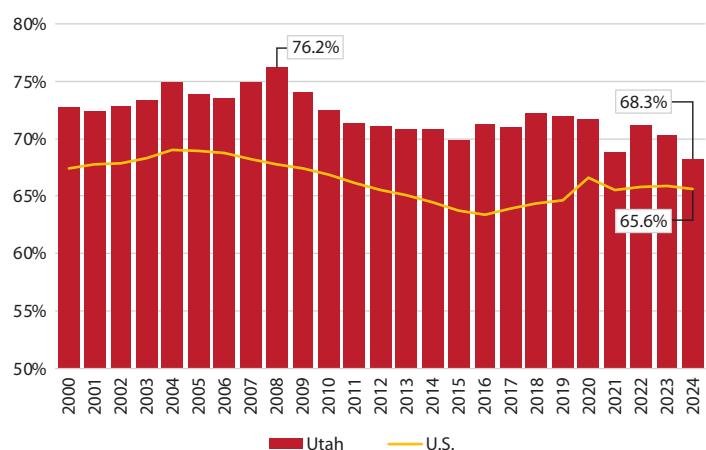
Note: e=estimate. “Other” includes group quarters, mobile homes and cabins, and other residential units.
Source: Ivory-Boyer Construction Database, Kem C. Gardner Policy Institute

Utah Crude Oil Production, 2000–2025



Source: Utah Geological Survey; Utah Division of Oil, Gas and Mining

Annual Homeownership Rate, Utah & US, 2000–2024



Source: Federal Reserve Bank of St. Louis

2025: Hardiness Amid Policy Change 2026: Moderate Expansion

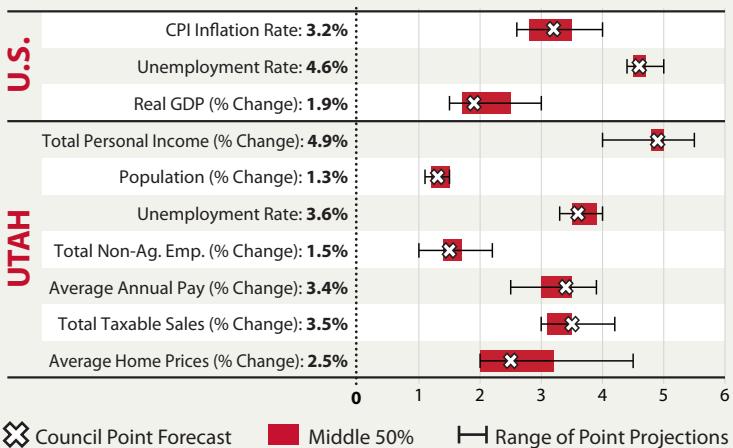
2026 OUTLOOK: Moderate Expansion

Amid headwinds and tailwinds, the Utah Economic Council forecasts moderate expansion. Nationally, the Council forecasts real GDP growth around 2%, inflation remaining in the 3% range, and unemployment at a little over 4.5%.

Key Utah 2026 highlights include:

- Job Growth and Wages** – The forecast calls for continued moderate job growth, supporting real wage gains.
- Population** – Look for Utah's population to grow more rapidly than the U.S. but more slowly than Utah's past.
- Taxable Sales** – A useful measure of goods consumption, the forecast projects moderate taxable sales growth.
- Housing** – Median home prices will likely grow slowly. Housing supply constraints continue to weigh on new market entrants, influencing labor markets and impairing other consumption.

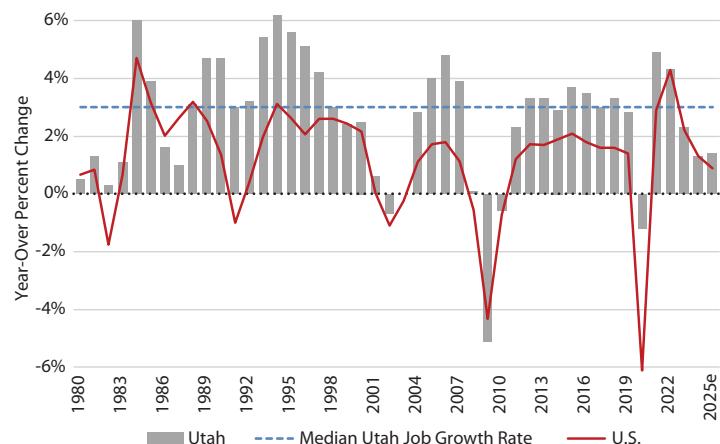
Utah Economic Council Forecast for Selected Economic and Business Indicators, 2026



Note: "Council Point Forecast" (X) represents the median value. "Middle 50%" (red box) represents the 25th to 75th percentile range of values. "Range of Point Projections" (whiskers) represents the full range of values.

Source: Utah Economic Council

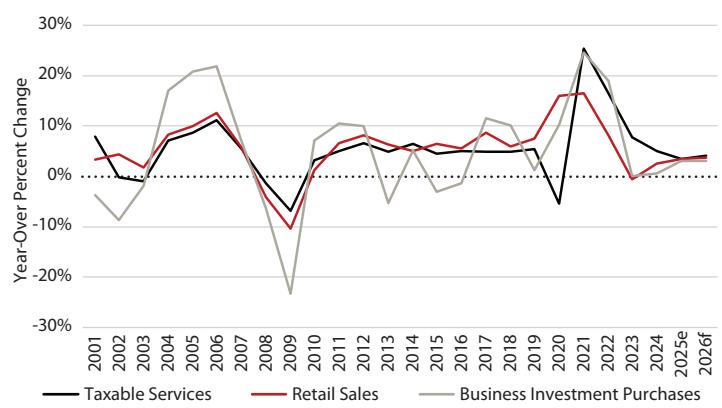
Annual Average Job Growth Rate for Utah and the U.S., 1980–2025e



Note: e=estimate

Source: U.S. Bureau of Labor Statistics

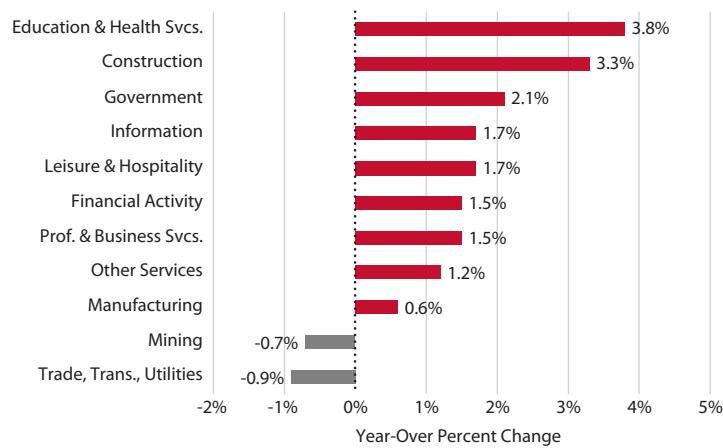
Annual Percent Change in Utah Taxable Sales by Component, 2001–2026f



Note: e=estimate, f=forecast

Source: Utah State Tax Commission and Utah Revenue Assumptions Working Group

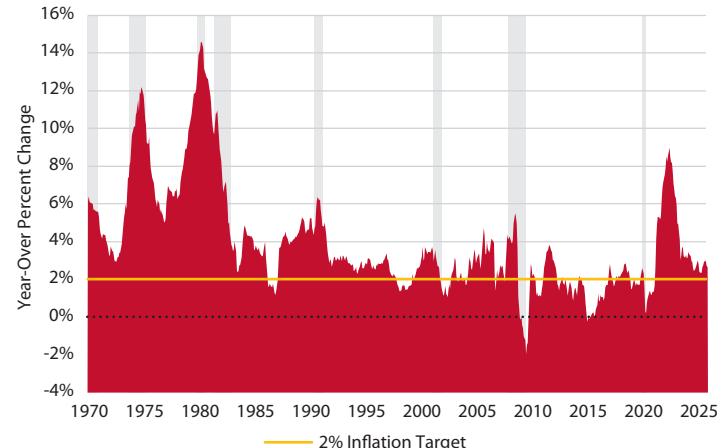
Utah Employment Change by Industry, 2024–2025e



Note: e=estimate

Source: U.S. Bureau of Labor Statistics

Consumer Price Index Year-Over Percent Change, 1970–2025



Note: Grey bars indicate periods of recession. Data are seasonally adjusted.

Source: U.S. Bureau of Labor Statistics

Utah Economic Council Economic and Business Indicators

Utah and the United States, December 2025

Demographics	2022 Actual	2023 Actual	2024 Actual	2025 Estimate	Percent Change			Utah Economic Council Forecast	
	22-23	23-24	24-25	2026	2027	Percent Change	25-26	26-27	
Utah July 1st Population (Thousands)	3,400	3,456	3,507	3,551	1.6%	1.5%	1.3%	3,597	3,644
Utah Net Migration (Thousands)	34.9	31.6	26.1	19.2	-9.5%	-17.5%	-26.3%	19.4	19.7
U.S. July 1st Population (Millions)	335	337	341	343	0.9%	0.9%	0.6%	343	343
Employment, Wages, and Income									
Utah Nonagricultural Employment (DWS) (Thousands)	1,686	1,724	1,747	1,774	2.3%	1.3%	1.5%	1,800	1,829
Utah Total Nonagriculture Wages (DWS) (Millions)	\$101,857	\$108,434	\$115,511	\$121,050	6.5%	6.5%	4.8%	\$127,043	\$133,594
Utah Average Annual Pay (DWS) (Dollars)	\$60,421	\$62,886	\$66,107	\$68,255	4.1%	5.1%	3.2%	\$70,576	\$73,046
Utah Unemployment Rate (DWS) (Percent)	2.4	2.7	3.2	3.3	—	—	—	3.6	3.6
Utah Personal Income (BEA) (Millions)	\$205,519	\$222,238	\$235,907	\$247,785	8.1%	6.2%	5.0%	\$259,926	\$272,923
U.S. Establishment Employment (BLS) (Millions)	152.5	155.9	158.0	159.4	2.2%	1.3%	0.9%	160.2	161.0
U.S. Total Wages & Salaries (BEA) (Billions)	\$11,123	\$11,732	\$12,388	\$13,007	5.5%	5.6%	5.0%	\$13,674	\$14,366
U.S. Average Annual Pay (BEA)	\$72,919	\$75,266	\$78,424	\$81,580	3.2%	4.2%	4.0%	\$85,349	\$89,231
U.S. Unemployment Rate (BLS) (Percent)	3.6	3.6	4.0	4.3	—	—	—	4.6	4.6
U.S. Personal Income (BEA) (Billions)	\$22,154	\$23,585	\$24,906	\$26,162	6.5%	5.6%	5.0%	\$27,592	\$29,120
Production and Sales									
Utah Nominal Gross Domestic Product (Billions)	\$261.5	\$283.2	\$299.5	\$315.8	8.3%	5.7%	5.4%	\$333.8	\$350.9
Utah Real GDP (2017 Chained, Billions)	\$217.4	\$226.3	\$234.3	\$240.8	4.1%	3.5%	2.8%	\$247.9	\$254.2
Utah Taxable Sales (Millions)	\$100,893	\$102,657	\$105,191	\$108,876	1.7%	2.5%	3.5%	\$112,687	\$116,518
Utah Exports (Millions)	\$16,542	\$17,388	\$18,213	\$18,724	5.1%	4.7%	2.8%	\$19,549	\$20,743
U.S. Nominal Gross Domestic Product (Billions)	\$26,055	\$27,812	\$29,298	\$30,779	6.7%	5.3%	5.1%	\$32,381	\$33,832
U.S. Real GDP (2017 Chained, Billions)	\$22,076	\$22,724	\$23,358	\$23,819	2.9%	2.8%	2.0%	\$24,272	\$24,757
U.S. Total Retail Sales (Billions)	\$7,872	\$8,149	\$8,363	\$8,707	3.5%	2.6%	4.1%	\$9,024	\$9,265
U.S. Real Exports (2017 Chained, Billions)	\$2,472	\$2,541	\$2,634	\$2,671	2.8%	3.6%	1.4%	\$2,754	\$2,866
Real Estate and Construction									
Utah Dwelling Unit Permits (Units)	29,883	25,445	21,966	23,000	-14.9%	-13.7%	4.7%	24,000	25,000
Utah Home Price Index (FHFA) (1991Q1 = 100)	790	789	822	844	-0.1%	4.2%	2.7%	865	887
Utah Residential Permit Value (Millions)	\$7,122	\$6,732	\$6,211	\$6,825	-5.5%	-7.7%	9.9%	\$7,300	\$7,750
Utah Nonresidential Permit Value (Millions)	\$3,694	\$3,213	\$2,567	\$3,750	-13.0%	-20.1%	46.1%	\$2,500	\$2,700
U.S. Private Residential Investment (Billions)	1,179	1,114	1,183	1,195	-5.5%	6.2%	1.0%	1,216	1,270
U.S. Home Price Index (FHFA) (1991Q1 = 100)	381	399	420	431	4.7%	5.4%	2.4%	430	432
Energy & Natural Resource Production and Prices									
West Texas Intermediate Crude Oil Price (Per Barrel)	\$95	\$78	\$76	\$65	-18.1%	-1.5%	-14.6%	\$55	\$61
Utah Oil Price (Per Barrel)	\$81	\$66	\$63	\$54	-17.8%	-5.4%	-13.9%	\$48	\$50
Utah Coal Price (Per Short Ton)	\$48	\$45	\$80	\$63	-6.0%	77.1%	-21.0%	\$66	\$71
Utah Natural Gas Price (Per MCF)	\$7.1	\$6.9	\$2.3	\$2.9	-2.3%	-66.8%	26.1%	\$3.5	\$3.6
Utah Copper Price (Per Pound)	\$4.1	\$4.0	\$4.2	\$4.3	-2.4%	3.8%	3.6%	\$4.5	\$4.5
Utah Crude Oil Production (Million Barrels)	45	57	65	70	24.4%	15.2%	7.2%	72	75
Utah Coal Production (Million Tons)	10.7	7.0	7.4	8.5	-35.0%	6.5%	14.6%	8.7	9.5
Utah Natural Gas Production Sales (Billion Cubic Feet)	216.0	234.7	255.9	270.4	8.7%	9.0%	5.7%	282.9	297.8
Utah Copper Mined Production (Million Pounds)	400	339	265	320	-15.3%	-21.8%	20.8%	350	400
Inflation and Interest Rates									
U.S. CPI Urban Consumers (BLS) (1982-84 = 100)	293	305	314	322	4.1%	3.0%	2.7%	333	342
U.S. Federal Funds Rate (FRB) (Effective Rate)	1.7	5.0	5.1	4.2	—	—	—	3.4	3.1
U.S. 3-Month Treasury Bills (FRB) (Discount Rate)	2.0	5.1	5.0	4.1	—	—	—	3.3	2.9
U.S. 10-Year Treasury Notes (FRB) (Yield (Percent))	3.0	4.0	4.2	4.3	—	—	—	3.9	3.9
30 Year Mortgage Rate (FHLMC) (Percent)	5.4	6.8	6.7	6.6	—	—	—	6.0	5.8

Sources: Utah Economic Council, Governor's Office of Planning and Budget, Moody's Economy.com, Utah Population Committee, Gardner Institute, and S&P Global

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